	Case 2:24-cv-03012-DAD-JDP Docume	nt 74	Filed 06/13/25	Page 1 of 34			
1							
2							
3							
4							
5							
6							
7							
8	UNITED STATES DISTRICT COURT						
9	FOR THE EASTERN DISTRICT OF CALIFORNIA						
10							
11	CARBON AUTONOMOUS ROBOTIC SYSTEMS INC.,	N	Io. 2:24-cv-03012-I	DAD-JDP			
12	Plaintiff,						
13 14	v.		OR A PRELIMINA	G PLAINTIFF'S MOTION ARY INJUNCTION AND			
15	LAUDANDO & ASSOCIATES LLC,	$\frac{G}{R}$	ENEWED MOTIO	N TO WITHDRAW			
16	Defendant.	(1	Ooc. Nos. 49, 52, 72	2)			
17							
18	LAUDANDO & ASSOCIATES LLC,						
19	Counter Claimant,						
20	v.						
21	CARBON AUTONOMOUS ROBOTIC SYSTEMS INC.,						
22	Counter Defendant.						
23							
24	This matter came before the court on May 20, 2025 for a hearing on plaintiff's motion for						
25	a preliminary injunction filed on April 8, 2025. (Doc. No. 49.) Attorneys Chandrika Vira, Ralph						
26	Wilson Powers III, Steven Pappas, and Richard A. Crudo appeared at the hearing by video on						
27	behalf of plaintiff. Attorneys Joel Lin and Michael M. Powell appeared at the hearing by video						
28	/////						

on behalf of defendant. For the reasons explained below, the court will grant plaintiff's motion for a preliminary injunction.¹

BACKGROUND²

Plaintiff and counter-defendant Carbon Autonomous Robotic Systems Inc. brings this patent infringement action against defendant and counterclaimant Laudando & Associates LLC ("L&A"). (Doc. No. 46.) Plaintiff was founded by Paul Mikesell, a named inventor on several United States patents, specifically U.S. Patent No. 12,219,948 ("the '948 patent") and U.S. Patent No. 12,240,372 ("the '372 patent"). (Doc. No. 49-5 at ¶ 3.) In relevant part for purposes of the pending motion, plaintiff alleges that defendant's products infringe upon the '948 patent and the '372 patent. (Doc. No. 46 at ¶¶ 88–168.)

In February 2022, plaintiff launched the first generation of its LaserWeeder product. (Doc. No. 49-5 at ¶ 12.) The LaserWeeder product is a system incorporating several high-resolution cameras and lasers which is then mounted on a tractor to be moved over a field. (Doc. No. 49-2 at ¶ 35.) The system incorporates computer vision software implemented as a neural network which analyzes the images that the cameras receive to distinguish between weeds and desirable plants. (*Id.*) Once the computer vision software identifies a weed, the LaserWeeder directs the lasers within the system to shoot and destroy the weed. (*Id.* at ¶ 37.) The LaserWeeder system also incorporates multiple safety features, such as emergency stop buttons, safety lights, and a remote control operator. (*Id.* at ¶ 38.) In 2025, plaintiff launched the second generation of the LaserWeeder product (the "G2 product") which is more modular to allow for multiple configurations of the system. (*Id.* at ¶ 39.) The G2 product incorporates additional safety features including multiple emergency stop buttons, laser emission indicator lights, a key control mechanism, and mechanical hard stops to prevent the laser from exiting outside of desired

¹ At the May 20, 2025 hearing, defendant's counsel orally renewed its motion to withdraw as counsel of record for defendant L&A (Doc. No. 52) which the court had previously denied without prejudice. (Doc. No. 64.) The court will address counsel's renewed motion at the conclusion of this order.

² The following facts are drawn from the declarations filed in support of and in opposition to the pending motion, and the exhibits attached thereto. (Doc. Nos. 49-2–9, 58-1, 58-2, 61-1, 61-2.)

ase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 3 of 34

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

limits. (*Id.*) The G2 product also uses a laser, camera, and software system to identify and eliminate weeds. (*Id.*; *see generally* Doc. No. 49-5 at 173–223) (the manual for the G2 product).

In support of its motion for preliminary injunction, plaintiff provides an expert declaration from Paul R. Weckler, who possesses a Ph.D. in agricultural engineering from Oklahoma State University where he now works as a professor of biosystems and agricultural engineering. (Doc. No. 49-6 at ¶¶ 7, 8.) In that declaration, Dr. Weckler explains that the G2 product practices the claims of the '948 and '372 patents. (Doc. No. 49-6 at 20.) The '948 patent's first independent claim is as follows:

A system for damaging or killing weeds, the system comprising: [1.1] a camera configured to capture images of plants in a field; [1.2] a light source configured to emit a light beam with a wavelength within a range from 300 nm to 100 [micro]meters; a control system comprising: [1.3] a first actuator and a first mirror for directing a path of the light beam, [1.4] a second actuator and a second mirror for directing the path of the light beam, [1.5] wherein the control system is configured to direct the path of the light beam towards a target using the first and second mirrors; [1.6] a housing configured to at least partially enclose the light source and the control system; [1.7] a computing system; and [1.8] a frame configured to move over the field, wherein the camera, the housing, the light source, the control system, and the computing system are supported, directly or indirectly by the frame, wherein the computing system is configured to perform operations comprising: [1.9] receiving an image of at least one plant in the field captured by the camera at a first time, [1.10] detecting a weed in the image of the at least one plant, wherein the detecting is performed using a neural network configured to differentiate between a weed and a crop, [1.11] predicting a target location of the weed in the field at a second time later than the first time, wherein the predicted target location accounts for motion of the camera relative to the weed during an elapsed time between the first time and the second time, [1.12] causing one or both of the first or second actuators to control one or both of the first or second mirrors to direct the path of the light beam toward the predicted target location of the weed in the field, [1.13] causing the light source to emit the light beam along the path towards the predicted target

location of the weed, and [1.14] causing the light source to continue emitting the light beam for a length of time sufficient to damage or kill the weed.

(Doc. No. 49-6 at 370–71.) The '372's first independent claim is as follows:

A system for illuminating and targeting a plant in a field, the system comprising: [2.1] a lighting array comprising a plurality of lights, wherein the lighting array is configured to illuminate a region of interest in the field to reduce or eliminate shadows in the region of interest, and wherein the region of interest includes the plant; and a

1 2

/////

detection system comprising: [2.2] a camera configured to obtain an image of the region of interest, wherein the image depicts the plant, [2.3] one or more processors configured to determine a target location of the plant in the region of interest based on the image of the region of interest obtained by the camera, and [2.4] a light source configured to emit a light beam toward the target location of the plant to damage or kill the plant.

(*Id.* at 407.)³ Though other companies have developed products to target weeds using computer vision or other similar precision-enhancing technology, plaintiff was the only company to have developed a laser-based weeding product for sale in the United States prior to defendant's announcement of its laser-based weeding product. (Doc. No. 49-2 at ¶¶ 64, 65.)

On September 19, 2023, defendant Laudando & Associates announced that it had developed a laser-based weeding product called the "L&Aser Module" (the "Accused Product").⁴ (Doc. No. 49-5 at ¶ 33.) The Accused Product may be used in a variety of configurations, including with a tractor. (Doc. No. 49-6 at ¶ 67.) The inventor of the Accused Product has stated that it is covered by a pending patent which was filed after plaintiff filed its applications for patents covering the LaserWeeder G1 line. (Doc. No. 49-5 at ¶ 35.)

Throughout its motion, plaintiff defines the terms within these claims by their ordinary and customary meaning. (Doc. No. 49-1 at 10; 49-6 at ¶ 46.) Defendant does not offer an alternative claim construction proposal. Accordingly, the court will interpret the claim terms in the '948 and '372 patents by their ordinary and customary meaning for purposes of plaintiff's motion. *See Maxwell Techs. v. Nesscap, Inc.*, 508 F. Supp. 2d 837, 842–43 (S.D. Cal. 2007) ("[A] district court may issue a 'tentative' or 'rolling' claim construction when faced with the task of claim construction on an expedited basis."); *see also Omega Eng'g v. Raytek Corp.*, 334 F.3d 1314, 1323 (Fed. Cir. 2003) ("We indulge a 'heavy presumption' that claim terms carry their full ordinary and customary meaning . . . unless the patentee unequivocally imparted a novel meaning to those terms or expressly relinquished claim scope during prosecution[.]"); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1313 (Fed. Cir. 2005) ("[T]he ordinary and customary meaning of a claim term is the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention, i.e., as of the effective filing date of the patent application.").

⁴ During the hearing on the pending motion, the parties disagreed on how to characterize the Accused Product. Plaintiff defined the Accused Product as being all products from the L&Aser Module product line, whereas defendant defined the Accused Product to be a combination of the L&Aser Module and its accompanying software package called AgCeption. Throughout this order, the court conducts its analysis following the definition that plaintiff's expert employed in his analysis: The Accused Product is the L&Aser Module configured to operate with the AgCeption software. (Doc. No. 49-6 at ¶ 67.)

Case 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 5 of 34

Dr. Weckler analyzed the depictions of the Accused Product in forming an opinion as to whether the Accused Product infringes on the '948 or '372 patents. (Doc. No. 49-6 at ¶ 16.) It appears that Dr. Weckler analyzed multiple videos and photos of the Accused Product, including photos showing the interior of the Accused Product, but did not perform physical analysis on a unit of the Accused Product itself.⁵ (See id. at 335–47.) Based upon this review, Dr. Weckler found that the Accused Product has an outer housing which contains a laser source, two actuators, and two mirrors to guide a laser to the location of a weed. (Doc. No. 49-6 at ¶ 69.) The Accused Product also includes a "2.35MP RGB 8mm" camera to capture images of a field. (*Id.* at ¶ 70.) The Accused Product further includes a lighting array composed of "Auxiliary Lighting" and an "External Lighting Trigger" used to activate the array such that it can illuminate an area on the ground. (Id. at ¶ 71.) The Accused Product then can be mounted on a frame to move across a field, with alternative configurations to allow the frame to be moved by a tractor or within a selfpowered robot. (Id. at ¶ 72.) Dr. Weckler determined that the Accused Product uses software to take images from the camera, identify weeds, and direct a laser to target the weed. (*Id.* at ¶ 74.) Defendant's founder stated in an interview that the Accused Product's camera sends the image to an "onboard computer" which "runs an AI model" to classify whether the image is showing a weed, identify the weed's location, and direct the laser to the appropriate "kill zone." (Id.; Doc. No. 49-7 at 7–8.) Based on these structural components, Dr. Weckler concluded that the Accused Product infringed on plaintiff's '948 and '372 patents.

On April 8, 2025, plaintiff filed its pending motion for a preliminary injunction seeking to enjoin sales of the Accused Product. (Doc. No. 49.) On April 22, 2025, defendant filed its opposition brief and on May 2, 2025, plaintiff filed its reply thereto. (Doc. Nos. 58, 61.)

23 /////

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

25

26

27

24 /////

28 units the week after the hearing.

⁵ Plaintiff addressed this lack of a physical inspection at the hearing, indicating that it had requested core technical documentation and a physical inspection of the Accused Product but had not been able to reach agreement with defendant. Both parties also addressed whether the plaintiff could have purchased a unit of the Accused Product to analyze. In this regard, defendant stated that it had not delivered any units of the Accused Product and would deliver the first such

LEGAL STANDARD

"The proper legal standard for preliminary injunctive relief requires a party to demonstrate 'that he is likely to succeed on the merits, that he is likely to suffer irreparable harm in the absence of preliminary relief, that the balance of equities tips in his favor, and that an injunction is in the public interest." Stormans, Inc. v. Selecky, 586 F.3d 1109, 1127 (9th Cir. 2009) (quoting Winter v. Nat. Res. Def. Council, Inc., 555 U.S. 7, 20 (2008)); see also Ctr. for Food Safety v. Vilsack, 636 F.3d 1166, 1172 (9th Cir. 2011) ("After Winter, 'plaintiffs must establish that irreparable harm is likely, not just possible, in order to obtain a preliminary injunction."") (quoting All. for the Wild Rockies v. Cottrell, 632 F.3d 1127, 1131 (9th Cir. 2011)). The Ninth Circuit has also held that an "injunction is appropriate when a plaintiff demonstrates . . . that serious questions going to the merits were raised and the balance of hardships tips sharply in the plaintiff's favor." All. for the Wild Rockies, 632 F.3d at 1134–35 (quoting Lands Council v. McNair, 537 F.3d 981, 987 (9th Cir. 2008) (en banc), overruled on other grounds by Winter, 555 U.S. 7). The party seeking the injunction bears the burden of proof as to each of these elements. Klein v. City of San Clemente, 584 F.3d 1196, 1201 (9th Cir. 2009); Caribbean Marine Servs. Co. v. Baldrige, 844 F.2d 668, 674 (9th Cir. 1988) ("A plaintiff must do more than merely allege imminent harm sufficient to establish standing; a plaintiff must demonstrate immediate threatened injury as a prerequisite to preliminary injunctive relief."). Finally, an injunction is "an extraordinary remedy that may only be awarded upon a clear showing that the plaintiff is entitled to such relief." Winter, 555 U.S. at 22.

DISCUSSION

A. Likelihood of Success on the Merits

"To establish a likelihood of success on the merits, 'a patentee . . . must demonstrate that it will likely prove infringement of one or more claims of the patents-in-suit, and that at least one

2526

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

27

⁶ The Ninth Circuit has found that this "serious question" version of the circuit's sliding scale approach survives "when applied as part of the four-element *Winter* test." *All. for the Wild Rockies*, 632 F.3d at 1134. "That is, 'serious questions going to the merits' and a balance of hardships that tips sharply towards the plaintiff can support issuance of a preliminary injunction, so long as the plaintiff also shows that there is a likelihood of irreparable injury and that the injunction is in the public interest." *Id.* at 1135.

ase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 7 of 34

of those same allegedly infringed claims will also likely withstand the validity challenges presented by the accused infringer." *Apple, Inc. v. Samsung Elecs. Co.*, 877 F. Supp. 2d 838, 857–58 (N.D. Cal. 2012) (internal quotation marks omitted) (quoting *AstraZeneca LP v. Apotex, Inc.*, 633 F.3d 1042, 1050 (Fed. Cir. 2010)), *reversed on other grounds by*, 695 F.3d 1370 (Fed. Cir. 2012). Plaintiff bears the burden to demonstrate that its success in establishing infringement is more likely than not. *Pavemetrics Sys. v. Tetra Tech, Inc.*, No. 2:21-cv-01289-MCS-MAA, 2021 WL 2548959, at *4 (C.D. Cal. Apr. 15, 2021); *see also Maxwell Techs. v. Nesscap, Inc.*, 508 F. Supp. 2d 837, 843 (S.D. Cal. 2007) (finding that the burden in establishing infringement at the preliminary injunction stage is by a preponderance of the evidence). Plaintiff also bears the burden to demonstrate that its infringement claim "will likely withstand defendant's challenges to the validity and enforceability of those patents." *Open Text, S.A. v. Box, Inc.*, 36 F. Supp. 3d 885, 891 (N.D. Cal. 2014).

"Because a patent is presumed valid, an alleged infringer must establish invalidity by clear."

"Because a patent is presumed valid, an alleged infringer must establish invalidity by clear and convincing evidence at trial. . . . At the preliminary injunction stage, the accused infringer similarly bears the burden to present evidence of invalidity. . . . However, rather than clear and convincing, the accused infringer need only establish a 'substantial question' of invalidity." *Id.* (citing *Titan Tire Corp. v. Case New Holland, Inc.*, 566 F.3d 1372, 1376 (Fed. Cir. 2009) and *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1358 (Fed. Cir. 2001)). "[T]he burden is on the [defendant] to come forward with evidence of invalidity, just as it would be at trial. The patentee, to avoid a conclusion that it is unable to show a likelihood of success, then has the burden of responding with contrary evidence, which of course may include analysis and argument." *Titan Tire Corp.*, 566 F.3d at 1377. "[T]he ultimate burden is on a patentee to show that the patent is not invalid." *QBAS Co. v. C Walters Intercoastal Corp.*, No. 10-cv-00406-AG-MLG, 2010 WL 7785955, at *6 (C.D. Cal. Dec. 16, 2010) (citing *Titan Tire Corp.*, 566 F.3d at 1379).

Plaintiff argues that the Accused Product infringes on the '948 and '372 patents because the Accused Product satisfies all elements of at least one claim in each patent. (Doc. No. 49-1 at 16–19.) Defendant contends that the Accused Product lacks at least one element of the claims

case 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 8 of 34

identified by plaintiff as infringed and therefore argues that the Accused Product does not directly infringe on either patent.⁷ (Doc. No. 58 at 10–11.) Defendant alternatively argues that the patents are invalid because they are anticipated by prior arts or claim only an unpatentable abstract idea. (*Id.* at 11–21.) The court will analyze these arguments with respect to the '372 patent and, because the court concludes that plaintiff has demonstrated a likelihood of success on its cause of action for infringement of the '372 patent, need not consider whether the '948 patent has also been infringed.⁸

1. <u>Infringement of the '372 Patent</u>

In determining whether a claim in a patent is infringed, courts engage in a two-step process: (1) the court determines "the proper construction of the asserted claim[;]" and (2) determines "whether the claim as properly construed reads on the accused product or method." *Biomedical Device Consultants & Lab'ys of Colo., LLC v. Vivitro Labs, Inc.*, 689 F. Supp. 3d 749, 754 (C.D. Cal. 2023), *aff'd*, No. 2023-2393, 2024 WL 1318251 (Fed. Cir. Mar. 28, 2024). At this second step, the court compares the elements of the claim to the "accused device to determine, as a matter of fact, whether all of the claim limitations are present, either literally or by a substantial equivalent, in the accused device." *Rosen Ent. Sys., LP v. Eiger Vision*, 343 F. Supp. 2d 908, 914 (C.D. Cal. 2004). Plaintiff need only demonstrate that it will likely prove that at least one claim of the '372 patent is infringed. *AstraZeneca*, 633 F.3d at 1050.

/////

/////

⁷ The court notes that defendant has only responded to plaintiff's argument that claim 1 for each of the '948 and '372 patents are infringed but does not address any other claims that plaintiff argues are infringed. (Doc. No. 49-1 at 16); (*see also* Doc. No. 49-6) (providing a full analysis of infringement of each claim). Defendant states this is because plaintiff "focused" only on claim 1 for each of the patents. (Doc. No. 58 at 9.) The court, however, need not determine whether other claims of each patent are infringed because, as explained in this order, it concludes that plaintiff has demonstrated a likelihood of success on the merits of its claim that the Accused Product infringes on claim 1 of the '372 patent.

⁸ At the hearing, plaintiff and defendant agreed that, in this case, a demonstration of likelihood of success as to infringement of one patent was a sufficient basis for the court to grant the injunctive relief requested by plaintiff.

ase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 9 of 34

As noted above, the parties do not dispute that all terms in claim 1 of the '372 patent should be given their plain and ordinary meaning. Accordingly, the court will adopt this construction for purposes of resolving this motion.

Plaintiff argues that each element in claim 1 of the '372 patent is satisfied by the Accused Product. (Doc. No. 49-1 at 18–19.) Plaintiff identifies those five elements as being: (1) that the Accused Product is a system for "illuminating and targeting a plant in a field[;]" (2) that it contains a "lighting array comprising a plurality of lights" which are "configured to illuminate a region of interest in the field to reduce or eliminate shadows in the region of interest[;]" (3) that it contains "a detection system comprising a camera configured to obtain an image of the region of interest[;]" (4) that it contains "one or more processors configured to determine a target location of the plant in the region of interest based on the image[;]" and (5) that it contains a "light source configured to emit a light beam . . . to damage or kill the plant." (*Id.*) Defendant argues only that the Accused Product does not practice the second element because it does not contain a "lighting array" but rather uses external lighting. (Doc. Nos. 58 at 10; 58-1 at ¶ 12.)

a. Disputed Element

The court finds the bare assertion that the Accused Product does not contain a lighting array to be unpersuasive. First, plaintiff has attached several photos from publicly available sources to its motion that purport to show the Accused Product in operation. (Doc. No. 49-6 at 175–182.) These photos appear to show the Accused Product using a lighting array to illuminate a specific region in a field beneath the Accused Product. (*Id.*) Plaintiff has also attached photos of the specifications listed for the Accused Product, which advertises that it has "Auxiliary Lighting" that can provide continuous lighting at 4,000 lumens per square meter and an "External Lighting Trigger." (*Id.*) The court finds that these photos from publicly available sources and promotional materials support the conclusion that the Accused Product includes a lighting array.

⁹ These photos are attached to and analyzed in Dr. Weckler's declaration. (Doc. No. 49-6.)

^{27 |} The co ordinar 28 | 298–33

Defendant does not contest that Dr. Weckler is qualified to offer an expert opinion in this matter. The court has reviewed his qualifications and agrees that Dr. Weckler is a person with at least ordinary skill in the relevant art of agricultural engineering. (*Id.* at ¶¶ 7–14; Doc. No. 49-6 at 298–333) (detailing Dr. Weckler's qualifications and providing his curriculum vitae).

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 10 of 34

*3 (C.D. Cal. Mar. 3, 2008) (noting how, based in part on promotional materials that were entered as evidence, the district court had previously concluded that the plaintiff had demonstrated a likelihood of success on the merits as to its infringement claim); *Ameranth, Inc. v. Papa John's USA, Inc.*, 946 F. Supp. 2d 1049, 1058 (S.D. Cal. 2013) (finding that the plaintiff had demonstrated that the defendant's system practiced an element of the patent-in-suit based on excerpts from web pages and promotional materials which gave rise to such an inference). Defendant argues that at least some of plaintiff's evidence in this regard pertains to non-commercial prototypes and not the Accused Product. (Doc. No. 58 at 10.) However, defendant does not identify which pieces of evidence it contends are of non-commercial prototypes and only states in conclusory fashion that it lacks the space to address that point in its briefing. (*Id.*) The court therefore concludes that plaintiff's evidence demonstrates that plaintiff will likely prove at trial that the Accused Product practices the element of having a "lighting array comprising a plurality of lights." ¹⁰

Defendant's separate argument that the use of a "shroud" prevents infringement is similarly unpersuasive. The court observes that, in advancing this argument, defendant's description of the Accused Product appears to concede that it does include a lighting array to eliminate the shadow cast by the shroud. Defendant's founder states in his declaration that the Accused Product "does not include lights" but that certain implementations must rely "on external lighting" because the Accused Product implements a shroud to obstruct sunlight and uses lighting to illuminate the "relevant area." (Doc. No. 58-1 at ¶ 12.) In Dr. Weckler's reply declaration, he

¹⁰ Defendant also argues that because the specification of the Accused Product which plaintiff cites in support of its motion refers to the lighting apparatus as "Auxiliary Lighting," the lighting is somehow not a part of the Accused Product. (Doc. No. 58 at 10.) The court finds this argument to be wholly unpersuasive.

Defendant clarified at the May 20, 2025 hearing that the "shroud" that the Accused Product uses is the opaque rig that the Accused Product is attached to when deployed in a field. It is unclear to the court how using an opaque rig is a "shroud" while the LaserWeeder's use of an opaque rig is not. (*Compare* Doc. No. 49-6 at 31 with Doc. No. 49-6 at 35) (pictures of the Accused Product and the LaserWeeder G2).

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 11 of 34

states that employing a shroud would "create a shadow, blocking ambient light (*e.g.*, sunlight) from reaching the ground." (Doc. No. 61-2 at ¶ 20.) Therefore, the lighting that defendant's founder concedes "is necessary" would still be "configured to illuminate a region of interest in the field to reduce or eliminate shadows in the region of interest" as disclosed in the '372 patent. (Doc. Nos. 58-1 at ¶ 12; 61-2 at ¶ 20.) Defendant cannot avoid practicing the lighting array element simply by first creating an arbitrary shadow which it then eliminates: The '372 patent discloses the use of the lighting array to eliminate shadows generally. Therefore, the court concludes that plaintiff has demonstrated that it will likely prove at trial that the Accused Product practices the element of having a lighting array "configured to illuminate a region of interest in the field to reduce or eliminate shadows in the region of interest." (Doc. No. 49-1 at 18.)

b. *Undisputed Elements*

"To show literal infringement of a patent, a patentee must supply sufficient evidence to prove that the accused product meets every element or limitation of a claim." *Rohm & Haas Co. v. Brotech Corp.*, 127 F.3d 1089, 1092 (Fed. Cir. 1997). Plaintiff bears the burden of demonstrating that it will likely prove infringement. *Vivitro Labs, Inc.*, 689 F. Supp. 3d at 754. At the hearing on the pending motion, defendant stated that although it did not address in its opposition whether the other elements of claim 1 of the '372 patent are practiced by the Accused Product, it now maintained that they are not. Accordingly, the court must consider whether plaintiff has demonstrated that these unaddressed elements are also practiced by the Accused Product.

First, plaintiff argues that the Accused Product is a "system for illuminating and targeting a plant in a field." (Doc. No. 49-1 at 18.) In his declaration, Dr. Weckler attaches several photos of the Accused Product, its advertising, and its patent application which indicate that the system is comprised of lighting components and laser components directed to "undesirable plant material." (Doc. No. 49-6 at 165–74.) The court therefore finds that plaintiff is likely to prove at trial that the Accused Product practices this element.

Next, plaintiff argues that the Accused Product practices the elements of having "a detection system comprising[] a camera configured to obtain an image of the region of interest"

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 12 of 34

and "one or more processors configured to determine a target location of the plant in the region of interest based on the image." (Doc. No. 49-1 at 18.) Dr. Weckler provides specifications of the Accused Product which indicate that it contains a computer processor designed by NVIDIA and quotations from promotional materials indicating that these processors direct a laser to a target location of an unwanted plant. (Doc. No. 49-6 at 185–93.) He also provides specifications of the Accused Product showing that it contains a camera and advertising materials which indicate that the Accused Product utilizes this camera to take images of a field. (*Id.* at 183–85.) The court therefore finds that plaintiff is likely to prove at trial that the Accused Product practices these two elements as well.

Finally, plaintiff argues that the Accused Product practices the element of having "a light source configured to emit a light beam toward the target location of the plant to damage or kill the plant." (Doc. No. 49-1 at 18.) Dr. Weckler provides specifications of the Accused Product and promotional material indicating that the Accused Product includes a laser designed to fire a laser beam at undesired plants. (Doc. No. 49-6 at 193–200.) The court therefore finds that plaintiff is likely to prove that the Accused Product practices this element. Because plaintiff is likely to successfully prove that the Accused Product practices every element of claim 1 of the '372 patent, the court concludes that plaintiff will also likely prove at trial that the Accused Product infringes on the '372 patent.

2. Invalidity

Defendant argues that plaintiff has not demonstrated that it is likely to succeed against an invalidity defense¹² as to claim 1 of the '372 patent on the basis that: (1) the elements of claim 1 are anticipated by an academic paper called "Designing, modeling, and controlling a novel autonomous laser weeding system" by E.S. Nadimi ("the Nadimi paper"); and (2) the '372 patent is directed towards an abstract idea rather than patent-eligible material and lacks an inventive

Plaintiff bears the burden of showing that defendant's invalidity defense lacks substantial merit: "If, after weighing the available evidence for and against validity, the court determines that the plaintiff fails to show the invalidity defense lacks substantial merit, it necessarily follows that the plaintiff cannot show a likelihood of success on the merits." *Open Text, S.A.*, 36 F. Supp. 3d at 892.

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 13 of 34

concept sufficient to transform the application into a patent-eligible application. (Doc. No. 58 at 11–13, 18–21.) Plaintiff replies that the Nadimi paper does not disclose multiple elements within claim 1 of the '372 patent and therefore does not anticipate the '372 patent. (Doc. No. 61 at 10.) Plaintiff also argues that claim 1 of the '372 patent discloses a combination of elements designed to create technical improvements in systems which kill weeds and is therefore not directed at an abstract idea. (*Id.* at 12–13.) The court will address each of these arguments below.

a. Anticipation

Defendant argues that the five elements as described above in claim 1 of the '372 patent are anticipated by the Nadimi paper and that therefore the '372 patent is not valid. (Doc. No. 58 at 11–13.) Plaintiff does not contest whether the first, third, or fifth elements are taught by the Nadimi paper. (Doc. No. 61 at 10.) In particular, plaintiff does not dispute that the Nadimi paper describes a system for illuminating and targeting a plant in the field, that it describes a detection system including a camera to obtain an image of a region of interest, or that it describes a laser designed to damage or kill a plant. Rather, plaintiff contends that the Nadimi paper does not disclose a lighting array in the sense disclosed by the '372 patent or the use of computer processors to determine a target location of a plant.

"A patent is invalid for anticipation if a single prior art reference discloses each and every limitation of the claimed invention." *Schering Corp. v. Geneva Pharms.*, 339 F.3d 1373, 1377 (Fed. Cir. 2003). "Anticipation is a factual issue." *3M Unitek Corp. v. Ormco Co.*, 96 F. Supp. 2d 1042, 1046 (C.D. Cal. 2000) (citing *Glaxo, Inc. v. Novopharm, Ltd.*, 52 F.3d 1043, 1047 (Fed. Cir. 1995)). Anticipation is akin to an infringement analysis in that it requires a two-step analysis of claim construction followed by comparison of the construed claim to the prior art: "Put simply, that which infringes, if later, would anticipate, if earlier." *Radware, Ltd. v. F5 Networks, Inc.*, 147 F. Supp. 3d 974, 992–93 (N.D. Cal. 2015). Because the court has already completed claim construction, it will proceed to the second step of comparing that which is disclosed by the Nadimi paper with claim 1 of the '372 patent.

The Nadimi paper is not a patent application but instead a non-peer-reviewed academic paper. (Doc. No. 58-2 at 5.) A patent may be invalidated under 35 U.S.C. § 102 if the invention

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 14 of 34

was "described in a printed publication in this or a foreign country[.]" Volterra Semiconductor Corp. v. Primarion, Inc., 796 F. Supp. 2d 1025, 1060, 1062 (N.D. Cal. 2011) (internal quotation marks omitted) (quoting 35 U.S.C. § 102). Accordingly, an academic paper can invalidate a patent by anticipation. Id. The Nadimi paper describes what appears to be an experimental design to determine whether laser weeding is, in principle, implementable on a moving vehicle. (Doc. No. 58-2 at 5) (describing the objectives of the experimental study). The study described an experimental setup where three conveyer belts were arrayed such that one conveyer belt's motion fed into a central conveyer belt to allow plant pots to be placed on the first conveyer belt and reach the central conveyer belt. (Doc. No. 58-2 at 6.) The central conveyer belt then led to a third conveyer belt which would move the plant pots away from the central belt. (*Id.*) The authors of the paper then set up a stationary deflection unit designed to direct a laser beam to specific points and a stationary camera rig along the central conveyor belt. (Id.) The camera system was set up to capture images of the central conveyor belt, calculate the central growth point of plants on that conveyer belt, and direct the deflection unit to target the growth point of that plant. (*Id.* at 6–8.) In short, the Nadimi paper described a proof-of-concept experiment to demonstrate that automated laser weeding is possible.

Plaintiff contends that this experimental design does not anticipate claim 1 of the '372 patent and cites Dr. Weckler's reply declaration in support of this contention. (Doc. No. 61-2.) In that declaration, Dr. Weckler states that the Nadimi paper described a software design that analyzes the growth point of a plant to be able to identify what point in three-dimensional space a laser should target to damage or kill the weed. (Doc. No. 61-2 at ¶ 33.) This is in comparison to claim 1 of the '372 patent, which discloses locating a weed within a region of interest in the field and identifying the object it "sees" as a weed. (*Id.*) The specification of the '372 patent clarifies this point by describing a specific embodiment of the detection system which the camera systems and the processors comprise a part of. In that detection system, the '372 patent describes an "object identification module" which uses a machine learning module to identify objects of interest in an image, e.g. weeds in a field. (Doc. No. 49-6 at 402); *see Apple, Inc.*, 877 F. Supp. 2d at 866, 871–72 (discussing embodiments in the patents' specifications to determine whether

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 15 of 34

infringement or anticipation was present). Dr. Weckler concludes that the Nadimi paper teaches an image-processing technique based on targeting a specific point on a known object whereas the '372 patent discloses an image-processing technique involving "discriminating between weeds and crop, and then precisely determining the weed's spatial position." (Doc. No. 61-2 at ¶ 33.) In other words, the Nadimi paper described a machine which can target an object and claim 1 of the '372 patent describes a machine which locates, classifies, and then targets objects. The court is persuaded that this additional functionality is not disclosed by the Nadimi paper. Accordingly, the court concludes that plaintiff has demonstrated that it is likely that defendant will be unable to prove invalidity by clear and convincing evidence at trial.

b. Abstract Idea

Defendant argues that claim 1 of the '372 patent claims an abstract idea and does not contain an inventive concept, and therefore is not patent-eligible under 35 U.S.C. § 101. (Doc. No. 58 at 18–21.) Defendant contends that the claimed concept is "straightforward" in that it claims the idea of detecting an unwanted plant and damaging or killing that plant. (*Id.* at 19.) It then argues that, in this regard, the claim involves an abstract idea because it is directed towards a result and only invokes generic machinery as a tool to accomplish that goal. (*Id.*) Plaintiff retorts that the machine disclosed by claim 1 of the '372 patent is not aimed at an abstract idea because it discloses a specific and tangible system for laser weeding. (Doc. No. 61 at 12–13.)

"Section 101 defines patent-eligible subject matter as 'any new and useful process, machine, manufacture, or composition of matter or any new and useful improvement thereof.' 35 U.S.C. § 101. The Supreme Court has 'long held that this provision contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable." FairWarning IP, LLC v. Iatric Sys., 839 F.3d 1089, 1093 (Fed. Cir. 2016) (quoting Ass'n for Molecular Pathology v. Myriad Genetics, Inc., 569 U.S. 576, 589 (2013)). However, applications of an abstract concept can be patent-eligible. Alice Corp. Pty. Ltd. v. CLS Bank Int'l ("Alice"), 573 U.S. 208, 217 (2014) ("Applications of [abstract] concepts to a new and useful end, we have said, remain eligible for patent protection.") (internal quotation marks omitted). "To determine whether a patent claims an abstract concept, courts engage in a two-step inquiry. First courts

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 16 of 34

determine whether the claims at issue are directed to an abstract idea. . . . At step two, courts consider the elements of each claim both individually and as an ordered combination to determine whether the claim contains an inventive concept sufficient to transform the claimed abstract idea into a patent-eligible application." *Rearden LLC v. TWDC Enters. 18 Corp.*, No. 22-cv-02464-JST, 2023 WL 3579324, at *4–5 (N.D. Cal. Feb. 21, 2023) (internal quotation marks omitted) (quoting *Alice*, 573 U.S. at 217, 221).

The first step in this test presents a "legal question . . . [as to] whether the claims as a whole are 'directed to' an abstract idea[.]" *CardioNet, LLC v. InfoBionic, Inc.*, 955 F.3d 1358, 1372 (Fed. Cir. 2020). Courts have noted that a patent is often directed at an abstract idea when the claims' steps can be "performed in the human mind, or by a human using pen and paper[.]" *See OpenTV, Inc.*, 2015 WL 1535328, at *4 (citing *CyberSource Corp. v. Retail Decisions, Inc.*, 654 F.3d 1366, 1372 (Fed. Cir. 2011)). Courts also consider whether the language of the claim is directed at results without teaching a method for how to accomplish those results. *See Elec. Power Grp. v. Alstom S.A.*, 830 F.3d 1350, 1356 (Fed. Cir. 2016) ("Indeed, the essentially result-focused, functional character of claim language has been a frequent feature of claims held ineligible under § 101.").

Here, defendant argues that claim 1 merely recites a mental process of visually detecting a weed and eradicating it, which indicates that the claim is directed at an abstract idea. (Doc. No. 58 at 18.) Plaintiff responds that claim 1's "specific and tangible system" for laser weeding does not merely recite a mental process, but rather describes a specific system for weeding. (Doc. No. 61 at 12–13.) It is plausible that a machine which was designed only to classify plants as weeds would be directed at an abstract idea because it would only involve manipulating existing information to generate additional information. *See, e.g., Bascom Rsch., LLC v. LinkedIn, Inc.*, 77 F. Supp. 3d 940, 949–50 (N.D. Cal. 2015) (holding that a claim which described a process for maintaining and searching a database was not patentable because "storing and using associations between objects" can be performed mentally); *Language Techs. Inc. v. Microsoft Corp.*, 727 F. Supp. 3d 856, 865 (D. Ariz. 2024) (finding that software which collects information and analyzes it "by steps people go through in their minds, or by mathematical algorithms, without more is an

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 17 of 34

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

abstract idea.") (quoting *Elec. Power Grp.*, 830 F.3d at 1353–54); *Int'l Bus. Machines Corp. v. Zillow Grp.*, 549 F. Supp. 3d 1247, 1270–71 (W.D. Wash. 2021) (holding that a software claim which was directed at the abstract idea of retrieving images and evaluating them to determine the "overall condition" of a geographical area was not patent-eligible because it was directed at "enabl[ing] a computer to replicate what humans already know how to do, namely discern images."), *aff'd* 50 F.4th 1371 (Fed. Cir. 2022). But claim 1 does not only describe the process of classifying a plant as a weed. It also describes an apparatus that combines with that detection system to do so automatically in a field and to eradicate that weed. As another district court has observed:

Indeed, other district courts that [sic] have rejected § 101 challenges where the claims are directed to a physical device that merely incorporates an abstract idea as part of its operation. POWERbahn, LLC v. Found. Fitness LLC, No. 3:15-cv-00327-MMD-WGC, 2016 WL 4318978, at *3 (D. Nev. Aug. 11, 2016) ("While it is true that the claim includes a formula, the claim is clearly directed at a piece of exercise equipment, and the formula is simply one part of the overall scheme. Including a law of nature as one part of a claim does not transform the entire scheme into an abstract idea."); Polaris Innovations Ltd. v. Kingston Tech. Co., 223 F. Supp. 3d 1026, 1034 (C.D. Cal. 2016) (noting that the defendant had not "cited any case where a court found that a claim for a purportedly novel physical configuration of a piece of computer hardware was deemed patent-ineligible because it was merely the embodiment of an abstract process" and distinguishing cases involving "patented processes running on what the courts found to be generic hardware"); Baxter Int'l[, Inc. v. Carefusion Corp., No. 15-cv-09986-AJSÉ, 2016 WL 2770787, at *12 (N.D. Ill. May 13, 2016)] (declining defendant's invitation to ignore physical components of a claimed invention that were known in the prior art and instead considering the patent as a whole).

Immersion Corp. v. Fitbit, Inc., 313 F. Supp. 3d 1005, 1024 (N.D. Cal. 2018). Because claim 1 discloses a physical apparatus, it is not merely reciting a mental process. *Polaris Innovations Ltd.* v. Kingston Tech. Co., 223 F. Supp. 3d 1026, 1033–34 (C.D. Cal. 2016) (finding that because the patents-in-suit described physical hardware that they did not recite a "mental process"). Accordingly, the court rejects defendant's argument that claim 1 is merely reciting the mental process of identifying and eradicating a weed.

The court finds plaintiff's contention that the specific combination of tangible elements listed in claim 1 creates a "technical improvement[] in systems for killing weeds[]" to be

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 18 of 34

persuasive. (Doc. No. 61 at 13.) Specifically, Dr. Weckler declares that a skilled artisan would recognize from claim 1 that the incorporation of a lighting array would help avoid delays and errors in the detection system described in the claim. (Doc. No. 61-2 at ¶ 39.) Claims which "focus on a specific means or method that improves the relevant technology" are directed at patent-eligible subject matter. SEMICAPS Pte Ltd. v. Hamamatsu Corp., 393 F. Supp. 3d 802, 815–17 (N.D. Cal. 2019) (holding that a claim which described a method and apparatus that used a laser to measure faults on an electronic circuit was not directed at an abstract idea because it represented a technological improvement on understood processes). Moreover, claim 1 describes not just detection of a weed, but also automated eradication of the weed using a laser. The inclusion of elements of physical technology to not only detect weeds but automatically eliminate them is sufficient to support a finding that the claim not directed at an abstract idea. Vineyard Investigations v. E. & J. Gallo Winery, 510 F. Supp. 3d 926, 939–41 (E.D. Cal. Jan. 4, 2021) (holding that the asserted claims which described a system that used in-field data sensors and external data sources to automatically deliver precise amounts of water and chemicals to farmed plants were not directed at an abstract idea because they made specific technological improvements by providing a high level of automation).

For these reasons, the court concludes based on the current record that claim 1 is not directed at an abstract idea and is therefore patent-eligible. The court therefore finds that plaintiff has satisfied its burden of showing that it will likely prevail on defending against defendant's invalidity arguments. Because plaintiff will likely prevail on its infringement claim and will likely prevail on the above invalidity arguments, the court concludes that plaintiff has shown a likelihood of success on the merits.

B. Irreparable Harm

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

The phrase "irreparable harm" is a term of art, meaning a party has suffered a wrong which cannot be adequately compensated by remedies available at law, such as monetary damages. *See eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 391 (2006); *see also E. Bay Sanctuary Covenant v. Biden*, 993 F.3d 640, 677 (9th Cir. 2021) ("Irreparable harm is 'harm for which there is no adequate legal remedy, such as an award for damages."); *L.A. Mem'l Coliseum*

Comm'n v. Nat'l Football League, 634 F.2d 1197, 1202 (9th Cir. 1980) ("The possibility that adequate compensatory or other corrective relief will be available at a later date, in the ordinary course of litigation, weighs heavily against a claim of irreparable harm.") (quoting Sampson v. Murray, 415 U.S. 61, 90 (1974)).

Following the Supreme Court's decision in *Winter*, a party moving for a preliminary injunction must show that irreparable harm is "likely" to occur. *Ctr. for Food Safety*, 636 F.3d at 1172; *All. for the Wild Rockies*, 632 F.3d at 1131. In this regard, a showing of a speculative injury, or mere allegations of an imminent harm that would satisfy standing, are not sufficient to warrant the issuance of a preliminary injunction. *See Caribbean Marine Servs.*, 844 F.2d at 674; *Goldie's Bookstore, Inc. v. Super. Ct. of State of Cal.*, 739 F.2d 466, 472 (9th Cir. 1984). Rather, a plaintiff must demonstrate that they face a real and immediate threat of an irreparable harm. *See Caribbean Marine Servs.*, 844 F.2d at 674; *Midgett v. Tri-Cnty. Metro. Transp. Dist. of Or.*, 254 F.3d 846, 850–51 (9th Cir. 2001).

Plaintiff argues that, absent this court granting the requested preliminary injunctive relief, it will immediately suffer harm in four ways: (1) loss of market share; (2) loss of opportunity to expand the laser-based weeding market; (3) damage to plaintiff's reputation; and (4) price erosion. (Doc. No. 49-1 at 20.) Plaintiff also argues that monetary damages are insufficient to address this harm because it is unlikely that defendant would be able to satisfy a monetary damages award. (*Id.* at 29.) Defendant contests each of these arguments and also contends that it appears plaintiff does not require injunctive relief because it delayed six months after the filing of its original complaint to seek such relief. (Doc. No. 58 at 21.) The court will address each argument below.

1. Loss of Market Share

Plaintiff contends that it currently possesses a "first-mover position in the laser-based weeding market," that allowing defendant to sell infringing products would destroy its exclusivity, and that the market is a two-player market in which any infringing sale is a lost sale for plaintiff. (Doc. No. 49-1 at 20–24.) Given these circumstances, plaintiff argues that the loss of market share constitutes irreparable harm. (*Id.* at 23–24.) Defendant does not appear to

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 20 of 34

contest that the laser-based weeding market is currently a two-player market. (Doc. No. 58 at 22–23.) Rather, defendant argues, without citation to evidence or supporting authority, that customers are unlikely to buy plaintiff's product due to its prohibitive cost and therefore sales of the Accused Product will not cause plaintiff to lose market share. (*Id.*)

The Federal Circuit has recognized that the "existence of a two-player market may well serve as a substantial ground for *granting* an injunction—e.g., because it creates an inference that an infringing sale amounts to a lost sale for the patentee[.]" *Robert Bosch LLC v. Pylon Mfg. Corp.*, 659 F.3d 1142, 1151 (Fed. Cir. 2011) (emphasis in original). "Direct competition in the same market is certainly one factor suggesting strongly the potential for irreparable harm without enforcement of the right to exclude." *Presidio Components, Inc. v. Am. Tech. Ceramics Corp.*, 702 F.3d 1351, 1363 (Fed. Cir. 2012). The use of a marketing strategy designed to take away customers from a competitor in a two-supplier market indicates loss of market share and irreparable harm. *Conceptus, Inc. v. Hologic, Inc.*, No. 09-cv-02280-WHA, 2012 WL 44064, at *2 (N.D. Cal. Jan. 9, 2012).

Plaintiff must substantiate claims of loss of market share with some evidence "because granting preliminary injunctions on the basis of speculative loss of market share would result in granting preliminary injunctions in every patent case where the patentee practices the invention."
DMF, Inc. v. AMP Plus, Inc., No. 2:18-cv-07090-CAS-GJS, 2019 WL 1099982, at *12 (C.D. Cal. Mar. 7, 2019) (internal quotation marks omitted) (quoting Automated Merch. Sys., Inc. v. Crane Co., 357 F. App'x 297, 301 (Fed. Cir. 2009)). A plaintiff may show actual loss of market share to satisfy this requirement. Id.; see also Tee Turtle, LLC v. Kellytoy Worldwide, Inc., 522 F. Supp. 3d 695, 724–25 (C.D. Cal. 2021) (finding that the plaintiff had not shown irreparable harm where it had not provided any evidence supporting a claim that it had actually lost market share). However, a plaintiff can also satisfy its burden in this regard by presenting evidence indicating that it will lose market share in the future absent an injunction, even prior to the release of a competing product. See Apple, Inc. v. Samsung Elecs. Co., No. 11-cv-01846-LHK, 2011 WL 7036077, at *29 (N.D. Cal. Dec. 2, 2011) (finding that the plaintiff had shown a likelihood of irreparable harm where it was likely to lose customers in a growing market with few players to

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 21 of 34

the alleged infringer), aff'd in part, rev'd in part on other grounds, remanded, 678 F.3d 1314 (Fed. Cir. 2012); see also United Therapeutics Corp. v. Liquidia Techs., Inc., No. 23-cv-00975-RGA, 2024 WL 2805082, at *11 (D. Del. May 31, 2024) (considering evidence addressing whether the plaintiff's market share would be diminished upon release of a competing product); United Therapeutics Corp. v. Liquidia Techs., No. 1:25-cv-00368-TDS, 2025 WL 1549896, at *12 (M.D.N.C. May 30, 2025) (same).

In support of its motion for preliminary injunction, plaintiff provides the declaration of Jim Bergman, the president of a litigation economics firm and a certified financial analyst. (Doc. No. 49-2 at ¶ 3.) Mr. Bergman's experience involves the application of economic principles to intellectual property, commercial, and bankruptcy litigation. (*Id.*) Mr. Bergman declares that, prior to defendant's entrance into the laser-based weeding market, plaintiff was the only company producing products in that market. (*Id.* at ¶ 64.) He bases this conclusion on a market research report published by ReportPrime and a separate news article. (*Id.*) Mr. Bergman further declares that defendant's introduction of an "infringing lower-quality product—at significantly lower price" will result in lost sales and could harm plaintiff's efforts to develop this market. (*Id.* at ¶¶ 69–71.) Additionally, he declares that such competition would cause plaintiff to lose its first-mover advantage in the relevant marketplace. (*Id.*)

As a preliminary matter, the court finds that, based on the evidence presented by plaintiff in support of its uncontested contention that the laser-based weeding market is a two-player market, plaintiff has established that fact. From this evidence, the court may infer that any sale defendant makes is a lost sale for plaintiff. *Open Text, S.A.*, 36 F. Supp. 3d at 906 ("The existence of a two-player market . . . creates an inference that an infringing sale amounts to a lost sale for patent holder.").

Defendant argues that the court should not draw this inference because its prices are so much lower than plaintiff's that they will not directly compete with one another. (Doc. No. 58 at 23.) Defendant has provided, in the form of a redacted declaration, evidence regarding the price discrepancy between the LaserWeeder product line's redacted price and the Accused Product's price of \$15,000. (Doc. No. 58-1 at ¶ 18.) The court finds defendant's argument to be

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 22 of 34

unpersuasive. Defendant has cited no authority in support of this argument. Indeed, the Federal Circuit has held that a district court erred in concluding that a defendant selling a significantly cheaper, infringing product would not cause a loss of market share to a plaintiff. *See Douglas Dynamics, LLC v. Buyers Prods. Co.*, 717 F.3d 1336, 1344–45 (Fed. Cir. 2013) (finding irreparable harm through loss of market share where a product would "lose some of its distinctiveness and market lure" because competitors could create cheaper products with "similar features"); *see also Merial Ltd. v. Cipla Ltd.*, 681 F.3d 1283, 1306 (Fed. Cir. 2012) (finding that the district court did not err in finding a threat of considerable lost market share where the infringer marketed its product as a "cheaper but otherwise equal alternative."); *see also DMF, Inc.*, 2019 WL 1099982, at *12 (finding irreparable harm where the plaintiff had sufficiently demonstrated that the defendant was seeking to displace the plaintiff's products with a cheaper, infringing alternative).

Plaintiff also claims that it is a "first mover" in the market and that it would lose the advantages of that position if defendant is permitted to enter the market. (Doc. No. 49-1 at 21.) Mr. Bergman declares that plaintiff was the "only provider of U.S. laser-based weeding products[]" and that it had a first-mover advantage. (Doc. No. 49-2 at ¶¶ 64, 70.) In support of this conclusion, Mr. Bergman relies upon the ReportPrime report and a separate news article. (See id. at ¶ 64; id. at 120–25); cf. Open Text, S.A., 36 F. Supp. 3d at 908 (finding that the plaintiff did not have a first-mover advantage where the defendant showed that it had operated for multiple years in the same market and the plaintiff had not shown any revenue for at least one year). The court finds based upon the evidence presented in connection with the pending motion that the entrance of defendant into the market would erode plaintiff's first mover advantage, which in turn contributes to a finding of irreparable harm. See 10X Genomics, Inc. v. Bruker Spatial Biology, *Inc.*, No. 21-cv-00653-MFK, 2024 WL 5201115 at *15 (D. Del. Dec. 23, 2024) (finding that the plaintiff's loss of a first mover advantage qualified as irreparable harm); see also Bio-Rad Lab'ys, Inc. v. 10X Genomics Inc., 967 F.3d 1353, 1378 (Fed. Cir. 2020) (finding that the plaintiff was irreparably harmed where it had to rush products to market to overcome an infringer's first-mover advantage); Incyte Corp. v. Sun Pharm. Indus., 135 F.4th 1381, 1383-84 (Fed. Cir. 2025) ("A

patentee can be irreparably harmed by an alleged infringer's improper 'head start' and the loss of the 'first mover advantage' because the alleged infringer can capture market share and secure a competitive lead."). Defendant argues, as it did with respect to plaintiff's two-player market argument, that it does not compete with plaintiff directly because it sells much cheaper products. (Doc. No. 58 at 22–23.) The court rejects this argument for the same reasons already explained above. *See Douglas Dynamics, LLC*, 717 F.3d at 1344–45 (finding that the plaintiff would lose various advantages, such as the reputation of being an innovator and the right to exclusivity, if the defendant were permitted to sell a cheaper, infringing product).

Plaintiff's contention that the extended lifespan of the laser-based weeding products exacerbates the market share harm is persuasive. The Federal Circuit has recognized how direct competition in small markets, such as agricultural equipment markets, can contribute to irreparable harm. *Trebro Mfg., Inc. v. Firefly Equip., LLC*, 748 F.3d 1159, 1170–71 (Fed. Cir. 2014) (finding that the plaintiff had shown that it was very likely to lose "significant market share" based on limited sales of a sod harvester due to the tightness of the market). Here, Mr. Bergman declares that the seasonal nature of agriculture combined with the durability of equipment can create a "sustained decline in market share." (Doc. No. 49-2 at ¶¶ 78–81.) The court finds that plaintiff has shown that the entry of defendant into the market will likely cause it a loss of market share and concludes that this supports a finding of irreparable harm.

2. <u>Loss of Opportunity to Expand the Market</u>

Plaintiff also argues that defendant's entry into the market hurts plaintiff's ability to expand the market because defendant will harm the market by introducing an inferior product. (Doc. No. 49-1 at 24–26.) Defendant responds that plaintiff has not "established the necessary premise that L&A's products are ineffective and unsafe." (Doc. No. 58 at 23.) Plaintiff replies that it appears that defendant concedes that the Accused Product does not comply with federal regulations governing products incorporating lasers. (Doc. No. 61 at 16–17.) Plaintiff appears to argue that this is a violation of federal law which supports the granting of its request for a preliminary injunction. (*Id.*)

/////

At the May 20, 2025 hearing, the parties addressed whether defendant's products violated any applicable federal regulation. Plaintiff's counsel argued that 21 C.F.R. § 1040.10 regulates lasers used in laser weeding products, while defendant's counsel argued that § 1040.10 merely regulates laser products in connection with medical devices. *See* 21 C.F.R. § 1040.10.

Regardless of this regulation's applicability, the court finds that plaintiff has provided no evidence that defendant has violated § 1040.10. (Doc. No. 49-1 at 24–25) (stating only that defendant's "product brochure does not *appear* to include laser-safety certifications) (emphasis added). Plaintiff has not demonstrated that defendant's products are unsafe so as to harm the market. Therefore, the court finds that plaintiff has not shown that it will be deprived of an opportunity to expand the market by defendant's sale of the Accused Product.

3. Reputational Damage

Plaintiff argues that defendant's marketing of its products has harmed plaintiff's reputation because defendant's founder has made several disparaging comments regarding plaintiff and its products. (*Id.* at 26–28.) Defendant responds that the disparaging comments are primarily in relation to plaintiff's legal strategy, which would not be impacted by an injunction preventing the sale of the Accused Product. (Doc. No. 58 at 25–26.) In reply, plaintiff claims that the reputational harm instead occurs when defendant implies that plaintiff "has or will copy" defendant's products and that plaintiff's products are ineffective and inferior to defendant's. (Doc. No. 61 at 17.) In making this general claim, plaintiff has not, however, specifically identified any comments by defendant's founder to this effect. See Tee Turtle, LLC, 522 F. Supp. 3d at 725 (finding that conclusory statements of reputational harm are insufficient to support a finding of irreparable harm); cf. DMF, Inc., 2019 WL 1099982, at *14 (finding that reputational harm where the product was disparaged contributed to a finding of irreparable harm). While it is possible that defendant's founder has made such disparaging comparisons and that they can be found somewhere in the voluminous exhibits plaintiff has attached to its motion, plaintiff has failed to specifically identify any such instance. See Indep. Towers of Wash. v. Washington, 350 F.3d 925, 929 (9th Cir. 2003) ("[J]udges are not like pigs, hunting for truffles buried in briefs.")

/////

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 25 of 34

(internal quotation marks omitted). Accordingly, the court finds that plaintiff has not demonstrated that reputational harms would constitute irreparable harm in this case.

4. Price Erosion

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Plaintiff argues that defendant's undercutting of its prices will lead to price erosion. (Doc. No. 49-1 at 28–29.) Defendant argues that price erosion cannot be a basis for a finding of irreparable harm unless plaintiff can show that it has actually already lowered its prices in response. (Doc. No. 58 at 26–27.) Plaintiff, in reply, concedes that price erosion has not yet occurred but cites authority from district courts not within the Ninth Circuit indicating that a showing that price erosion is probable is sufficient to establish irreparable harm. (Doc. No. 61 at 18.)

Some district courts in the Ninth Circuit have expressed skepticism about whether price erosion can be a basis for a showing of irreparable harm where the price erosion has not actually yet occurred. See Tee Turtle, LLC, 522 F. Supp. 3d at 726 n.8 (citing Millipore Corp. v. W.L. Gore & Assocs., Inc., No. 2:11-cv-01453-ES, 2011 WL 5513193, at *11 (D.N.J. Nov. 9, 2011)); see also Zhang v. AKEfit shop, No. 2:21-cv-09370-AB-RAO, 2022 WL 3012164, at *4 (C.D. Cal. Feb. 14, 2022) ("One example of a product being sold for a lower price, without corresponding evidence about the purported sales or impact on Plaintiff (e.g., lowering prices, otherwise losing sales as a result), is insufficient to show price erosion.") (citing Millipore Corp., 2011 WL 5513193, at *11). Plaintiff identifies a decision in which a district court found that a "fear of price erosion" was "immediate and irreparable" where there was evidence showing that an infringing product was preferred by consumers for being a lower price, even though the patentee in that case did not lower its prices. Gonza LLC v. Mission Competition Fitness Equip., LLC, No. 21-cv-00771-ADA, 2021 WL 5657193, at *7 (W.D. Tex. Dec. 1, 2021). Though the court is persuaded that a substantial likelihood of price erosion could contribute to irreparable harm, see Purdue Pharma L.P. v. Boehringer Ingelheim GMBH, 237 F.3d 1359, 1368 (Fed. Cir. 2001) (holding that the district court did not err in finding irreparable harm based on the "testimony of the likelihood of price erosion"), the court need not find that plaintiff has made such a showing here because it concludes that plaintiff has established irreparable harm in several other respects.

5. <u>Inadequacy of Monetary Damages</u>

Plaintiff argues that, based on the founder of defendant's comments on social media that his company is "tiny" and "unfunded," defendant would be unlikely to pay an award for lost profits if plaintiff were to prevail at trial. (Doc. No. 49-1 at 29.) Defendant contends that it would likely be able to pay a reasonable royalty rather than a lost profits award and that, accordingly, monetary damages would be sufficient in this case were plaintiff to prevail. (Doc. No. 58 at 27.) Defendant also argues, without citation to authority, that its financial hardships have largely been caused by litigation costs incurred in litigating this case which should prohibit plaintiff from arguing that its financial hardships indicate that it will be unlikely to pay monetary damages. (*Id.*)

The court finds that defendant's current financial condition supports a finding of irreparable harm in the absence of injunctive relief.¹³ A showing that defendant is unlikely to be able to pay damages in the event of a judgment supports a finding of irreparable harm. *See QBAS Co.*, 2010 WL 7785955, at *13 ("The fact that any potential trial victory by Plaintiffs would be an empty one when remedies are considered show that irreparable harm to Plaintiffs would result without a preliminary injunction."); *see also Robert Bosch LLC*, 659 F.3d at 1156 (finding it was error for the district court to fail to consider whether the defendant would be able to pay a monetary award as a viable alternative to an injunction); *In re Est. of Ferdinand Marcos, Hum. Rts. Litig.*, 25 F.3d 1467, 1480 (9th Cir. 1994) ("We join the majority of circuits in concluding that a district court has authority to issue a preliminary injunction where the plaintiffs can establish that money damages will be an inadequate remedy due to impending insolvency of the defendant[.]"). Here, defendant has conceded that it is in a "precarious financial position." (Doc. No. 58 at 27.)¹⁴ Accordingly, because there is a strong possibility that defendant would be unable

The court observes that defendant's counsel has filed a motion to withdraw as counsel of record on the basis of defendant being "unable to meet its payment obligations." (Doc. Nos. 52, 54-1 at \P 5.)

¹⁴ Defendant asserts in conclusory fashion that it would be able to pay a reasonable royalty, though does not indicate what that reasonable royalty would be. (*Id.*)

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 27 of 34

to pay a monetary judgment at the end of this action were plaintiff to prevail, the court finds that defendant's financial condition supports a finding of irreparable harm.

6. <u>Delay</u>

Defendant contends that plaintiff could have filed its motion for preliminary injunction either on October 31, 2024 when it filed its initial complaint in this action or in March 2025 after the '948 and '372 patents had been issued. (Doc. No. 58 at 21.) Defendant argues that this delay indicates that plaintiff would not suffer irreparable harm in the absence of the granting of an injunction. (*Id.*) Plaintiff counters that only the two-month period of delay applies because it could not file its motion seeking a preliminary injunction until those patents were issued. (Doc. No. 61 at 14.) Plaintiff argues that it briefly delayed in filing the pending motion because it was uncertain whether defendant would proceed in attempting to sell its infringing products or not after having been put on notice by the complaint that plaintiff believed that the Accused Product would infringe its patents. (*Id.* at 14–15.)

At the May 20, 2025 hearing, defendant's counsel stated that the Accused Product was marketed for sale in the fall of 2023 or the fall of 2024, that no products had been shipped, and that defendant's founder had indicated that the Accused Product would fully launch sometime in March of 2025. Plaintiff stated that it had engaged in meet and confer efforts to determine whether any units of the Accused Product had yet been shipped to buyers. Plaintiff informed the court that it had sought to avoid filing the pending motion by first seeking delay of the Accused Product's launch until after infringement contentions had been exchanged. Defendant confirmed to plaintiff's counsel at that time that no units of the Accused Product had yet shipped but that the parties had not agreed to a delay in the launch of the Accused Product. Defendant also stated that units of the Accused Product would be delivered in the weeks following the May 20, 2025 hearing.

Based upon the circumstances presented, any delay on plaintiff's part in filing the pending motion does not support a finding that plaintiff would not suffer irreparable harm in the absence of the granting of a preliminary injunction. The court finds plaintiff's explanation, that it was attempting to determine whether irreparable harm was imminent before filing its motion and only

did so when it in good faith believed that defendant would proceed with attempting to sell an infringing product in the immediate future, to be a reasonable one. Accordingly, the court rejects defendant's argument that plaintiff's delay in filing the motion weighs against a finding of irreparable harm in the absence of an injunction.

The court therefore concludes that plaintiff has met its burden to show that it will suffer irreparable harm absent injunctive relief on the basis that it has shown that it will suffer a loss of market share and because defendant appears insolvent and would be unable to pay damages at the conclusion of this action should plaintiff prevail.

C. Balance of Equities and Public Interest

Plaintiff argues that the balance of equities favors the granting of a preliminary injunction because it will suffer irreparable harm in the absence of injunctive relief, prevention of the sale of defendant's product will preserve the status quo where defendant has not launched its product, and defendant would not be unduly harmed by an injunction. (Doc. No. 49-1 at 29–31.)

Defendant argues that it will suffer substantial financial harm if the requested injunction is granted. (Doc. No. 58 at 28.)

The Federal Circuit has explicitly held that the fact that an injunction against the sale of an infringing product would put an infringer out of business "cannot justify denial of that injunction." Windsurfing Int'l Inc. v. AMF, Inc., 782 F.2d 995, 1003 n.12 (Fed. Cir. 1996); see also Blackberry Ltd. v. Typo Prods. LLC, No. 14-cv-00023-WHO, 2014 WL 1318689, at *12 (N.D. Cal. Mar. 28, 2014) (finding that the balance of equities favored the granting of an injunction where the defendant argued solely that it would be put out of business if it were unable to continue selling the accused product); QBAS Co., 2010 WL 7785955, at *14 ("And although a preliminary injunction will certainly hurt Defendants' business operations, these operations are precisely what continue to cause irreparable harm to Plaintiffs."). Accordingly, the court finds that the balance of equities favors granting an injunction because plaintiff would otherwise suffer irreparable harm.

"Typically, in a patent infringement case, although there exists a public interest in protecting rights secured by valid patents, the focus of the district court's public interest analysis

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 29 of 34

should be whether there exists some crucial public interest that would be injured by the grant of preliminary relief." *Hybritech Inc. v. Abbott Lab'ys*, 849 F.2d 1446, 1458 (Fed. Cir. 1988). Here, plaintiff argues that the lack of an injunction would expose the public to an unsafe product "if indeed L&A's products are unsafe." (Doc. No. 49-1 at 31.) Defendant argues that the public will be worse off if an injunction is granted because the injunction sought by plaintiff would prevent farmers from accessing affordable laser-based weeding technology. (Doc. No. 58 at 30.) As the court explained above, plaintiff's claim that defendant's product is unsafe is conclusory, and defendant's argument that farmers would be forced to use chemical herbicides if it is unable to sell the Accused Product is similarly conclusory and is advanced without any supporting evidence. Accordingly, the court finds that the public interest factor weighs slightly in favor of plaintiff only insofar as there is a public interest in protecting valid patent rights.

Because plaintiff has met its burden to demonstrate that it is likely to prevail on the merits, would suffer irreparable harm in the absence of an injunction, and that the balance of equities and public interest weighs at least slightly in favor of granting an injunction, the court will grant plaintiff's motion for a preliminary injunction.

D. Bond

Federal Rule of Civil Procedure 65(c) states that the "court may issue a preliminary injunction . . . only if the movant gives security in an amount that the court considers proper to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained." However, "[d]espite the seemingly mandatory language, Rule 65(c) invests the district court with discretion as to the amount of security required, *if any*." *Johnson v. Couturier*, 572 F.3d 1067, 1086 (9th Cir. 2009) (internal quotation marks omitted) (emphasis in original) (quoting *Jorgensen v. Cassiday*, 320 F.3d 906, 919 (9th Cir. 2003)). "[T]he party affected by the injunction [bears the] obligation of presenting evidence that a bond is needed." *Zest Anchors*, *LLC v. Geryon Ventures*, *LLC*, 615 F. Supp. 3d 1206 (S.D. Cal. 2022) (internal quotation marks omitted) (quoting *Conn. Gen. Life Ins. Co. v. New Images of Beverly Hills*, 321 F.3d 878, 883 (9th Cir. 2009)), *rev'd in part on other grounds*, No. 22-55704, 2023 WL 2783175 (9th Cir. Apr. 5, 2023).

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 30 of 34

Here, defendant has raised no argument that plaintiff should be required to post a bond. Accordingly, the court finds that a bond is not necessary in this case and will exercise its discretion to decline to impose one.

E. Renewed Motion to Withdraw

On April 9, 2025, attorneys Joel C. Lin, Andrew D. Gish, Michael M. Powell, and Ryan K. Iwahashi filed a motion to withdraw as defendant L&A's counsel of record. (Doc. No. 52.) At the May 5, 2025 hearing, the court denied the motion without prejudice to its oral renewal "immediately upon the hearing on the motion for preliminary injunction." (Doc. No. 64.) At the May 20, 2024 hearing on plaintiff's motion for preliminary injunction, defendant's counsel orally renewed their motion to withdraw as counsel of record. (Doc. No. 72.) Defendant filed a declaration of its founder in support of that motion. (Doc. No. 69.)

An attorney's withdrawal is governed by Local Rule 182 and the Rules of Professional Conduct of the State Bar of California ("Rules of Professional Conduct"). In this regard, Local Rule 182(d) provides:

Unless otherwise provided herein, an attorney who has appeared may not withdraw leaving the client *in propria persona* without leave of court upon noticed motion and notice to the client and all other parties who have appeared. The attorney shall provide an affidavit stating the current or last known address or addresses of the client and the efforts made to notify the client of the motion to withdraw. Withdrawal as attorney is governed by the Rules of Professional Conduct of the State Bar of California, and the attorney shall conform to the requirements of those Rules.

L.R. 182(d). Rule 1.16(b) of the California Rules of Professional Conduct provides several grounds upon which an attorney "may withdraw from the representation of a client," including if "the client breaches a material term of an agreement with, or obligation, to the lawyer relating to the representation, and the lawyer has given the client a reasonable warning after the breach that the lawyer will withdraw unless the client fulfills the agreement or performs the obligation[.]" Cal. R. Prof. Conduct 1.16(b)(5) (emphasis added). However, representation shall not be terminated until the attorney "has taken reasonable steps to avoid reasonably foreseeable prejudice to the rights of the client, such as giving the client sufficient notice to permit the client

Qase 2:24-cv-03012-DAD-JDP Document 74 Filed 06/13/25 Page 31 of 34

to retain other counsel." Cal. R. Prof. Conduct 1.16(d). "In ruling on a motion to withdraw as counsel, courts consider: (1) the reasons why withdrawal is sought; (2) the prejudice withdrawal may cause to other litigants; (3) the harm withdrawal might cause to the administration of justice; and (4) the degree to which withdrawal will delay the resolution of the case." *Beard v. Shuttermart of Cal., Inc.*, No. 3:07-cv-00594-WQH-NLS, 2008 WL 410694, at *2 (S.D. Cal. Feb. 13, 2008).

Local Rule 183 further provides that "[a] corporation or other entity may appear only by an attorney." L.R. 183(a). "While individuals may appear *in propria persona*, corporations and other entities may appear only through an attorney; an unrepresented entity cannot file any pleadings, make or oppose any motions, or present any evidence to contest liability." *Caveman Foods, LLC v. jAnn Payne's Caveman Foods, LLC*, No. 2:12-cv-01112-WBS-CKD, 2015 WL 6736801, at *2 (E.D. Cal. Nov. 4, 2015) (citing *Rowland v. Cal. Men's Colony*, 506 U.S. 194, 202 (1993)).

Here, defendant's counsel has represented that defendant has been unable to pay its invoices under its fee agreement with counsel. (Doc. No. 54 at 3.) Defendant's counsel agreed to a payment plan with defendant and warned defendant that it would be unable to "continue the representation indefinitely if L&A could not satisfy its obligations." (*Id.*) Defendant failed to meet the terms of the agreed upon payment plan whereupon counsel notified defendant that they intended to file a motion to withdraw. (*Id.*) Defendant, at that time, gave consent to the withdrawal. (*Id.*) Defendant's counsel has also described its efforts in contacting multiple law firms to find substitute counsel for defendant that have proved unsuccessful. (Doc. No. 54-1 at ¶ 7.) The court denied counsel's initial motion to withdraw on the basis that defendant would be prejudiced by the default which would automatically accompany withdrawal of counsel as a corporate defendant while the motion for preliminary injunction was pending. (Doc. No. 64.) The court further expressed concern over whether defendant was fully aware of the consequences of withdrawal and "requested [a] supplemental declaration that clearly states that [defendant] has been advised that [it] cannot represent [itself] in this action." (*Id.*) Defendant has since filed a declaration of its founder in support of counsel's renewed motion to withdraw stating that

defendant is aware that it will "automatically lose' the case" if it is unable to timely secure

2 substitute counsel. (Doc. No. 69 at ¶ 5.)

The court finds that defendant's counsel has complied with the applicable Local Rules and that there is good cause to withdraw based on defendant's breach of the fee agreement. *See Integrity Bus. Partners, LLC v. DB Asset Grp.*, No. 2:21-cv-01187-KJM-KJN, 2022 WL 2125686, at *1 (E.D. Cal. May 17, 2022) ("Material breach of a fee agreement is good cause for withdrawal."). Additionally, the court finds good cause in that defendant has consented to its counsel's withdrawal while aware of the potential consequences of that withdrawal. *Shepard v. Kelso*, No. 2:20-cv-01445-KJM-JDP (PC), 2023 WL 7308416, at *3 (E.D. Cal. Oct. 10, 2023). The court also finds that defendant's counsel have taken reasonable steps to prevent prejudice to their client, such as attempting to identify potential substitute counsel and ensuring that their client was aware of the potential consequences of failing to obtain substitute counsel. *Cf. Chapman v. Ramada Inn, Vallejo*, No. 2:16-02415-KJM-DB, 2019 WL 13258030, at *2 (E.D. Cal. Mar. 11, 2019) (finding that counsel had not taken reasonable steps to avoid prejudice where they had not attempted to locate substitute counsel or advise their client of the consequences of withdrawal). Accordingly, the court will now grant defendant counsel's renewed motion to withdraw as defendant's counsel of record.

CONCLUSION

For the reasons above,

- 1. Plaintiff's motion for preliminary injunction (Doc. No. 49) is GRANTED. The court orders that:
 - a. Defendant, and any acting in concert with it, is restrained and enjoined from manufacturing, using, offering for sale, or selling within the United States, or importing into the United States the Accused Product or any product incorporating the Accused Product.
 - b. Within five (5) business days of the date of entry of this order, defendant shall provide notice of this order to any affiliates, subsidiaries, officers, agents, servants, representatives, and attorneys, and all those acting in

concert or participating with them, that are involved in any effort to manufacture, use, offer for sale, sell, purchase, promote, advertise, market, service, distribute, supply, or otherwise introduce into the stream of commerce within the United States, or import into the United States either the Accused Product or any product incorporating the Accused Product.

- 2. No bond shall be required to be posted by plaintiff pursuant to Rule 65(c) of the Federal Rules of Civil Procedure;
- 3. This preliminary injunction is effective immediately and shall remain in full force and effect through the date on which judgment, if any, as to defendant is entered in this case;
- 4. The renewed motion to withdraw as counsel for defendant and counter-claimant Laudando & Associates LLC made by attorneys Andrew D. Gish, Joel Lin, Michael M. Powell, and Ryan K. Iwahashi is GRANTED, effective upon defendant's compliance with the court's order regarding defendant's renewed request to seal documents (Doc. No. 70) which requires counsel to file unredacted versions of the documents in question under seal within ten days;
- 5. Upon defendant's compliance with the court's order regarding defendant's renewed request to seal documents (Doc. No. 70), the Clerk of the Court is directed to terminate attorneys Andrew D. Gish, Joel Lin, Michael M. Powell, and Ryan K. Iwahashi as the counsel of record in this action on behalf of defendant and counter-claimant Laudando & Associates LLC;
- 6. Attorneys Andrew D. Gish, Joel Lin, Michael M. Powell, and Ryan K. Iwahashi shall comply with all obligations under Rule 1.16(e) of the California Rules of Professional Conduct regarding release of a client's papers and property and return of unearned fees;
- 7. Within fourteen (14) days of the date of this order, defendant shall file a notice of appearance of its new counsel of record; and,

28 /////

d	ase 2:24-cv-03012-DA	D-JDP	Document 74	Filed 06/13/25	Page 34 of 34			
1	8. Defenda	nt is warı	ned that its failure	to timely file a notic	ce of appearance of counsel			
2	will result in an entry of default against it.							
3	IT IS SO ORDE	RED						
4				200	<u>م</u>			
5	Dated: June 12, 2 0)25_	j	DALE A. DROZD	. Drozd			
6				UNITED STATES I	DISTRICT JUDGE			
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
20 27								
28								
۷۵			2	4				